

**COMMONWEALTH OF VIRGINIA
DEPARTMENT OF MOTOR VEHICLES
LICENSE AGENT'S AGREEMENT**

THIS AGREEMENT ("Agreement") made and entered into this ____ day of _____, 200__, by and between the Commissioner of the Department of Motor Vehicles of the Commonwealth of Virginia, (hereinafter called the "Commissioner"), pursuant to authority vested in him in Item 477 (C), Chapter 4 of the 2004 Virginia Acts of Assembly, Special Session I, and _____, Treasurer/Commissioner of the Revenue for the City/County of _____, Virginia, (hereinafter called "Agent").

Additionally, both parties herein agree that should the Virginia General Assembly at any future date terminate, extinguish, or fail to re-enact the authority of the Commissioner of the Department of Motor Vehicles to enter into this agreement or agreements of this nature, then this agreement will terminate upon the effective date of that legislative action.

WHEREAS, it is now the intent of the Commissioner of the Department of Motor Vehicles (DMV) to make automated vehicle licensing and certain driver licensing services available to citizens who choose an alternative means of conducting select DMV transactions and

WHEREAS, it is the desire of the Commissioner that a License Agency ("License Agency") of the Department of Motor Vehicles shall be established and maintained in the City/County of _____, Virginia. The purpose of such License Agency shall be to process applications for the titling and registration of motor vehicles, to issue motor vehicle license plates and/or decals, to issue handicap placards and driver transcripts, to collect fees, taxes, penalties and other monies including credit card transactions in connection therewith, and for other purposes incident to the duties of such license office. Consequently, the said Commissioner has appointed the said Agent, subject to the conditions hereinafter set forth.

NOW, THEREFORE, WITNESSETH THIS AGREEMENT:

1. THE term of this Agreement shall be for the period beginning on the ____ day of _____, 200__, and ending on the 30th day of June, 200__, and this Agreement shall thereafter continue from year-to-year, beginning on the first day of July and ending on the last day of June of the next succeeding year unless otherwise terminated by Agent upon ninety (90) days prior written notice to the Commissioner, or by the Commissioner at any time and for any reason by notice in writing to the Agent. Notice shall be deemed given on the date delivered to the other party, or, if sent by mail, five (5) days from the date of mailing as indicated by the postal mark on the item. The mailing addresses for the Commissioner and Agent are given in the signatory block of this Agreement.

2. AGENT agrees to act as Agent for the Commissioner of the Department of Motor Vehicles but only within the specific limitations established by this Agreement; and to maintain, at Agent's expense, a License Agency of the Department of Motor Vehicles in the City/County of _____, Virginia. Agent agrees to process applications for the titling and registration of motor vehicles, to issue motor vehicle license plates and/or decals, to issue handicap placards and driver transcripts, and to collect fees, taxes, penalties and other monies as set forth in this Agreement, and in accordance with the guidelines hereinafter established.
3. Agent further agrees not to hold itself out as an agent of DMV for any purpose other than processing applications for the registering and titling of motor vehicles and collecting fees, taxes and other monies in connection therewith, and issuing driver transcripts and handicap placards, and acknowledges that it is without any authority whatever to bind DMV or the Commissioner or to incur any obligation on behalf of DMV or the Commissioner.
4. Agent further agrees:
- (a) To furnish and maintain a suitable office at a location convenient to the public and approved by the Commissioner which will be maintained through regular janitorial service, and painted when needed, ensuring that the office will be clean and attractive;
 - (b) To provide adequate parking for motor vehicles to accommodate DMV patrons;
 - (c) To reimburse DMV (within 30 days of receipt of invoice) for equipment provided by DMV. Agent and DMV have mutually agreed on specific equipment needs (IE. type, quantity, etc.) and associated costs for this License Agency and hereby incorporate, as Attachment A to this Agreement, said mutual understanding.
 - (d) That all personnel assigned to this project will be subject to a driver-history, credit-history and criminal-background check. DMV may terminate this Agreement immediately upon discovery/notice that any personnel have been convicted of a felony, including but not limited to bribery, forgery, fraud or embezzlement under any State or Federal laws or a conviction of any offense included in Chapter 4, Article 7 (§18.2-61 et.seq.) of Title 18.2 of the Code of Virginia (Criminal Sexual Assault) or of any similar laws of any other state or of the United States;
 - (e) To display signs which are provided by DMV as directed by representatives of the Customer Service Management Administration;
 - (f) To maintain service for the public during reasonable hours. Agent agrees that he or she will obtain prior written approval from the DMV Commissioner before operating the License Agency

for any hours other than those of a local customer service center. To notify designated DMV personnel immediately if an emergency closing is deemed to be necessary;

- (g) To obtain written approval from the Commissioner before changing the location;
 - (h) That payment to Agent shall be made by DMV through the Commonwealth's electronic data interchange (EDI) process and Agent agrees to supply all necessary bank information in order to facilitate electronic payments by DMV to Agent.
5. Agent agrees to solicit customers and/or advertise DMV services, at the Agent's sole expense, only after receiving written approval from the DMV Commissioner. Agent agrees that Agent shall not state in any advertising that it has any special connection with DMV that would benefit a potential customer. Agent is prohibited from using any DMV logos, license plates or other DMV-identifying signs except where permitted in writing by DMV.
6. COMMISSIONER has established standards detailed in the Vehicle Registration Guidebook for License Agents. These standards and all other standards, rules, regulations and procedures as established by the Commissioner from time to time shall become and are to be considered a part of this Agreement and Agent agrees to abide by them. The Agent specifically agrees:
- (a) To attend all training workshops and informational meetings provided by the Commissioner for Agents;
 - (b) To deposit all monies collected to the credit of the Treasurer of Virginia in a depository assigned by the Commissioner, such deposits to be on a daily basis or as directed in writing (either electronically or by mail) by the Commissioner;
 - (c) To submit reports, including daily activity reports, inventories of license plates and decals, daily work processed and any other such reports as may be required by the Commissioner and in all other respects to comply with the Code of Virginia; and
 - (d) To receive, securely store, issue, account for, and be fully responsible for such title documents, license plates, decals or any other items of value entrusted to the Agent by the Commissioner, and to return such items upon cancellation or termination of this Agreement.
7. COMMISSIONER will make available to Agent, by way of the DMV approved electronic network, access to DMV vehicle and driver record files, such access to be limited in scope to that information needed by Agent to discharge the responsibilities set forth in this Agreement. Agent understands and agrees that any information obtained by Agent, its individual users, agents, or employees pursuant to this Agreement

or use of DMV's network may be of a personal or confidential nature and subject to and governed by restrictions upon access, use and/or dissemination of information set forth in state and/or federal laws and regulations. Agent agrees without reservation or qualification that it shall comply with, and be subject to the penalties for violations of, all laws and regulations, whether federal or state, pertaining to the access, use and/or dissemination of information, including but not limited to, the Federal Driver's Privacy Protection Act of 1994, 18 U. S. C. § 2721 et seq. (as amended); the Federal Fair Credit Reporting Act, Public Law 91-508; Title VI of the Consumer Credit Protection Act; the Government Data Collection and Dissemination Practices Act, Va. Code §§ 2.2-3800 through 2.2-3809 (as amended); §46.2-208 of the Va. Code (as amended); and §58.1-3 of the Va. Code (as amended). Agent is aware of the penalties for violating all enumerated laws, and Agent shall make all authorized users of the DMV approved electronic network aware of such provisions and of their duties and obligations thereunder. Agent agrees that any information obtained by Agent, its users, agents, or employees pursuant to this Agreement shall be used for no purpose other than the purpose for which it was furnished and will comply with all laws, federal or state, with regard to both information obtained from DMV and information and/or documents which were received from customers and will be transmitted to DMV by Agent, including application forms, tax information, vehicle and driver record information and other related materials. Agent further agrees that Agent, its users, agents or employees shall not sell or impart to any person, firm, corporation or other business entity any information obtained from DMV records, including but not limited to lists of individuals obtained for the purpose of soliciting license renewal applications or lists of the persons to whom license plates and/or decals have been issued or any information of any kind tending to disclose the person or persons to whom the same was issued.

8. AGENT specifically agrees to furnish and maintain a secure office and to use due care and diligence in order to protect electronic equipment supplied by DMV from damage. Agent shall be liable to DMV for damages to DMV-owned equipment caused by Agent, his employees, or authorized users. Agent shall at Agent's own expense insure such equipment for all insurable risks in an amount equal to the full replacement value of said equipment. Agent shall safeguard the equipment and keep such equipment free from moisture, dust, and undue disturbance. The Agent shall, within ten (10) days of cancellation or termination of this Agreement return all equipment supplied by DMV in the same condition as received from DMV, reasonable wear and tear excepted.
9. AGENT shall limit access to the electronic equipment and to the data and information from DMV files which is available through said equipment to those persons who are authorized users. For the purposes of this Agreement, only those persons who have been appointed by the Commissioner and who have been properly instructed as to their duties and responsibilities shall be authorized users. The electronic equipment utilized by Agent to obtain access to the DMV approved electronic network shall be a termination point in that network and shall not serve as an intermediate communications link for other remote systems.

Agent shall implement procedures to ensure that such electronic equipment, and the information available therefrom, including any monitor, printer, printout or other form of display or duplication of driver or vehicle record information, including any printed copy of a vehicle record or driver transcript, shall be placed so as to prevent the information from being viewed by persons who are not authorized users of the equipment.

Agent shall implement procedures to ensure that any printed copy of a vehicle or driver record obtained from DMV files shall be mailed to DMV Headquarters for shredding by DMV when its legitimate use has ended.

The Commissioner may immediately suspend or terminate the access privileges of Agent upon the breach of, or failure to fulfill, any responsibility established pursuant this Agreement, or for any violation of the Code of Virginia §46.2-208 or 58.1-3, the Government Data Collection and Dissemination Practices Act (Va Code §2.2-3800 et seq.), the Federal Driver's Privacy Protection Act (18 U.S.C. §2721 et seq.), and the Federal Fair Credit Reporting Act (Public Law 91-508) and may suspend or terminate the access privileges of any individual authorized user upon any such breach or failure to fulfill.

Agent agrees that, in addition to the provisions governing termination found in Paragraph 1 above, the Commissioner may immediately terminate this Agreement for any breach of and any failure to fulfill any responsibility established or required by the statutory provisions listed in the proceeding paragraph, or for any violation of any of those same statutory provisions. Agent agrees its duty to insure the confidentiality and authorized use of DMV records in accordance with all laws is mandatory and cannot be waived, changed, altered or modified in any manner. Agent acknowledges and accepts that any breach of that duty will result in immediate action by DMV.

10. AGENT shall be responsible for all funds related to transactions processed by Agent as a License Agent, and shall reimburse DMV for any such funds. The parties understand that Agent cannot be held responsible for bad checks or other such failures to pay by customers as long as DMV accountability procedures are followed.
11. COMPENSATION for Agent shall be at the rate provided for in §46.2-205 of the Code of Virginia or as otherwise provided for by act of the General Assembly. At the inception of this Agreement, the statute provides that the rate shall be three and one-half per cent (3 1/2%) of gross collections made by the Agency during each fiscal year.
 - (a) It is agreed that compensation shall be paid monthly and that adjustments to the compensation may be made for funds shortages or shortages of license plates or decals at their stated value;

- (b) Agent agrees not to sell or impart to any person, firm, or corporation any list of the persons to whom license plates and/or decals, handicap placards, or driver transcripts have been issued or any information of any kind tending to disclose the number thereof issued or the person or persons to whom the same were issued;
- (c) Agent agrees not to charge DMV applicants any fees for filling out DMV applications or for other services pertaining to DMV transactions unless authorized by the Commissioner; and
- (d) Commissioner shall cause to be paid all freight, cartage, premium on bond, postage and postage meter charges. The Agent shall invoice DMV periodically, but no greater than quarterly, for these costs.
12. COMMISSIONER, or his authorized agent, shall have the right to inspect and audit all books, records, reports and other documents relative to this Agreement during the stated term and for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. DMV, its authorized agents, and/or State auditors shall have full access to and the right to examine any of said materials during said period.
13. THE RIGHTS AND LIABILITIES of the License Agency Agreement may not be assigned except by written agreement of the parties.
14. The laws of the Commonwealth of Virginia shall govern this Agreement. Any litigation arising under or concerning the Agreement shall be brought in a court of competent jurisdiction of the Commonwealth of Virginia. Should a court of competent jurisdiction find any clause or provision of this Agreement unenforceable, that clause or provision shall be struck from the Agreement, or may be modified as the court sees fit, in a manner that allows other clauses or provisions of the Agreement to remain in full force and effect.

IN WITNESS WHEREOF, the said parties have hereunto set their hands the day and year first written above.

AGENT: _____

Treasurer/Commissioner of the Revenue

City/County of _____, Virginia

Address: _____

FIN: _____

D.B. Smit, Commissioner

Commonwealth of Virginia

Department of Motor Vehicles

2300 West Broad Street

P.O. Box 27412

Richmond, Virginia 23269

Witness _____

Witness _____

Revised 8-23-04
Constitutional Officer Agreement